



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-489-501]

Certain Welded Carbon Steel Pipe and Tube from Turkey: Notice of Final Results of
Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, U.S. Department of
Commerce

SUMMARY: On June 8, 2011, the Department of Commerce (“the Department”) published the
preliminary results of the antidumping duty administrative review of certain welded carbon steel
pipe and tube from Turkey. The administrative review covers the Borusan Group¹ and Toscelik,²
producers and exporters of the subject merchandise. The period of review (“POR”) is May 1,
2009, through April 30, 2010.

Based on our analysis of the comments received, we have made certain changes in the
margin calculations. The final results, consequently, differ from the preliminary results. The
final weighted-average dumping margins for the reviewed firms are listed below in the section
entitled “Final Results of Review.”

EFFECTIVE DATE: [Insert date of publication in the Federal Register].

FOR FURTHER INFORMATION CONTACT: Dennis McClure or Victoria Cho, at (202)
482-5973 or (202) 482-5075, respectively; AD/CVD Operations, Office 3, Import Administration,
International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution
Avenue, NW, Washington, DC 20230.

¹ The Borusan Group includes Borusan Mannesmann Boru Sanayi ve Ticaret A.S., Borusan Birlesik Boru Fabrikalari San ve Tic., Borusan Istikbal Ticaret T.A.S., Borusan Holding A.S., Borusan Gemlik Boru Tesisleri A.S., Borusan Ihracat Ithalat ve Dagitim A.S., and Borusan Ithicat ve Dagitim A.S. (collectively, “Borusan”)

² Toscelik Profil ve Sac Endustrisi A.S., Toscelik Metal Ticaret A.S., and Tosyali Dis Ticaret A.S. (collectively, “Toscelik”).

SUPPLEMENTARY INFORMATION:

Background

On June 8, 2011, the Department published in the Federal Register the preliminary results of the antidumping duty administrative view of certain welded carbon steel pipe and tube from Turkey. See Certain Welded Carbon Steel Pipe and Tube from Turkey; Notice of Preliminary Results of Antidumping Duty Administrative Review, 76 FR 33204 (June 8, 2011) (“Preliminary Results”).

We invited interested parties to comment on our preliminary results. We received case briefs from Toscelik, Borusan, and U.S. Steel Corporation (“U.S. Steel”), on July 7, 2011, July 22, 2011, and July 22, 2011, respectively. On August 2, 2011, we received rebuttal briefs from Borusan, U.S. Steel, and Allied Tube and Conduit Corporation and TMK IPSCO (collectively, “Allied Tube and TMK”).³ The Department has conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (“the Act”).

Period of Review

The POR covered by this review is May 1, 2009, through April 30, 2010.

Scope of the Order

The products covered by this order include circular welded non-alloy steel pipes and tubes, of circular cross-section, not more than 406.4 millimeters (16 inches) in outside diameter, regardless of wall thickness, surface finish (black, galvanized, or painted), or end finish (plain end, beveled end, threaded and coupled). Those pipes and tubes are generally known as standard pipe, though they may also be called structural or mechanical tubing in certain applications. Standard pipes and tubes are intended for the low pressure conveyance of water, steam, natural gas, air, and

³ U.S. Steel and Allied Tube and TMK are petitioners in this administrative review.

other liquids and gases in plumbing and heating systems, air conditioner units, automatic sprinkler systems, and other related uses. Standard pipe may also be used for light load-bearing and mechanical applications, such as for fence tubing, and for protection of electrical wiring, such as conduit shells.

The scope is not limited to standard pipe and fence tubing, or those types of mechanical and structural pipe that are used in standard pipe applications. All carbon steel pipes and tubes within the physical description outlined above are included in the scope of this order, except for line pipe, oil country tubular goods, boiler tubing, cold-drawn or cold-rolled mechanical tubing, pipe and tube hollows for redraws, finished scaffolding, and finished rigid conduit.

Imports of these products are currently classifiable under the following Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this proceeding and to which we have responded are listed in Appendix 1 to this notice and addressed in the Memorandum To: Ronald K. Lorentzen, Acting Assistant Secretary for Import Administration, From: Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, Subject: Issues and Decision Memorandum for the Final Results of the Antidumping Duty Administrative Review: Certain Welded Carbon Steel Pipe and Tube from Turkey for the period of review May 1, 2009, through April 30, 2010, dated December 2, 2011 (“Issues and Decision Memorandum”), which is hereby adopted by this notice. Parties can find a complete discussion

of all issues raised in this review and the corresponding recommendation in this public memorandum which is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). Access to IA ACCESS is available in the Central Records Unit, room 7046, of the main Commerce building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>. The electronic versions of the Decision Memorandum in IA ACCESS and on the Web are identical in content.

Changes from the Preliminary Results

Based on our analysis of the comments received from interested parties, we have made the following changes in calculating Borusan's and Toscelik's dumping margins for the final results: (1) we corrected the margin program for a clerical error with respect to Borusan's quarterly costs; (2) we revised Borusan's quarterly costs for exempted duty; (3) we reclassified certain of Borusan's home market advertising expenses as indirect expenses; (4) we adjusted Toscelik's reported quarterly costs for new mill depreciation; (5) we adjusted Toscelik's financial expense ratio denominator to exclude the effect of the inventory impairment reversal; and (6) we applied the alternative quarterly cost calculation methodology for Toscelik for the final results.

See Issues and Decision Memorandum at Comments 1 through 7 for Borusan and Comments 8 through 11 for Toscelik. For further details on how the changes were applied in the margin calculation, see Memorandum to the File, from Victoria Cho and Dennis McClure, International Trade Analysts, through James Terpstra, Program Manager, entitled "Final Results in the 2009/2010 Administrative Review on Welded Pipe and Tube from Turkey," dated December 5, 2011; see also Memorandum to Neal M. Halper from Laurens Van Houten, "Regarding the Antidumping Duty Administrative Review of Certain Welded Carbon Steel Standard Pipe and

Tube from Turkey (“Pipe and Tube”), Cost of Production and Constructed Value Calculation Adjustments for the Final Results—Borusan Mannesmann Boru Sanayi ve Ticaret, A.S. and Toscelik Profil ve Sac Endustrisi A.S. and its affiliated exporter Tosyali Dis Ticaret, A.S.," dated December 5, 2011.

Final Results of Review

As a result of this review, we determine that the following margins exist for the period May 1, 2009, through April 30, 2010:

Manufacturer/Exporter	Weighted-Average Margin (percent)
Borusan	4.46
Toscelik	0.95

Disclosure

We will disclose calculation memorandums used in our analysis to parties to these proceedings within five days of the date of publication of this notice.⁴

Assessment

The Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries.

Pursuant to 19 CFR 351.212(b)(1), because Borusan and Toscelik reported the entered value for all of its U.S. sales, we have calculated importer-specific ad valorem duty assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the sales for which entered value was reported. To determine whether

⁴ See 19 CFR 351.224(b).

the duty assessment rates are de minimis, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), we have calculated importer-specific ad valorem ratios based on the entered value.

Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the assessment rate is de minimis (i.e., less than 0.50 percent). The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

The Department clarified its “automatic assessment” regulation on May 6, 2003.⁵ This clarification will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know their merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the country-specific all-others rate established in the less-than-fair-value (“LTFV”) investigation if there is no rate for the intermediate company(ies) involved in the transaction.

Cash Deposit Requirements

The following antidumping duty deposit rates will be effective upon publication of this notice of final results of the administrative review for all shipments of welded pipe and tube from Turkey entered, or withdrawn from warehouse, for consumption on or after the date of the publication of these final results, as provided by section 751(a)(1) of the Act: (1) for the companies subject to this review, the cash deposit rate will be the rates listed above; (2) for previously reviewed or investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recent final results in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a

⁵ See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

prior review, or the original LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent final results for the manufacturer of the merchandise; and, (4) if neither the exporter nor the manufacturer is a firm covered in this or any previous review conducted by the Department, the cash deposit rate will be 14.74 percent, the all-others rate established in the LTFV investigation.⁶ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent increase in antidumping duties by the amount of antidumping and/or countervailing duties reimbursed.

Notification to Interested Parties

This notice serves as the only reminder to parties subject to administrative protective orders ("APO") of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

⁶ See Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products From Turkey, 51 FR 17784 (May 15, 1986).

We are issuing and publishing these results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Ronald K. Lorentzen
Acting Assistant Secretary
for Import Administration

December 2, 2011
(Date)

Appendix I--Issues in Decision Memorandum

Borusan

- Comment 1: Whether to Use Quarterly Cost for Borusan
- Comment 2: The Cost Recovery Test
- Comment 3: Duty Exemption Calculation
- Comment 4: Inadvertent Assignment of Surrogate Costs
- Comment 5: The Department's Treatment of Borusan's Reported "N" in its VATH Field
- Comment 6: Borusan's Home Market Adverting Expenses
- Comment 7: Zeroing of Dumping Margins in Administrative Reviews

Toscelik

- Comment 8: Application of Quarterly Costs
- Comment 9: Financial Expense Ratio Calculation
- Comment 10: Short-term Borrowing Rate Used to Calculate Imputed Credit Expense
- Comment 11: Treatment of Warranty and Bank Charges in the Program

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